

**REAL ESTATE APPRAISER BOARD
FEBRUARY 16, 2005
LIQUOR CONTROL CONFERENCE ROOM
FIFTH FLOOR-STATE OFFICE BUILDING
301 CENTENNIAL MALL SOUTH
LINCOLN, NE.**

OPENING

Chairman Dan Stoeber called the February 16, 2005 meeting of the Nebraska Real Estate Appraiser Board to order at 9:04 a.m.. Board members James Bain, Kevin Kroeger, and Sheila Newell were present.

NOTICE OF MEETING

Chairman Stoeber announced the publication of official notice of the meeting on February 11, 2005 in the Lincoln Journal Star, a legal newspaper of general circulation in this State, as required by the public meeting law.

AGENDA

Chairman Stoeber acknowledged the agenda. Newell moved to approve the agenda. Bain seconded the motion. Roll call vote: all aye.

GUESTS

Chairman Stoeber welcomed guests. Diane Moore, president of the Moore Group, and Perre Neilan, representing Nebraska Realtors Association were present at the opening. Cay Lacey, Chair of the Law and Rules Revision committee, arrived shortly thereafter.

MINUTES - January 18, 2005

Chairman Stoeber asked for consideration of the minutes of the January 18 meeting. Kroeger moved to approve the minutes as presented. Bain seconded the motion. Roll call vote: all aye.

DIRECTOR'S REPORT-January 18, 2005

Report of the Director was received and made a part of these minutes.

CHAIRMAN'S REPORT

Chairman Stoeber reported on the release of the Fifth Exposure draft from the Appraisal Standards Board (ASB) and encouraged Board members and guests to respond by the April 1, 2005 deadline. Stoeber updated the Board on the status of LB 676 where he and Newell testified at the Banking, Commerce and Insurance Committee Hearing February 15, 2005. Proponents also included Perre Neilan, Nebraska Realtors Association, and Beth Bazyn Ferrell, attorney for the Nebraska Association of County Officials. There were no opponents. Guest Perre Neilan stated the Committee voted unanimously to advance the bill to General File.

Kroeger moved to approve the travel expenses incurred by Chairman Stoeber and Ms. Newell in preparation and participation in the LB676 committee hearing on February 15, 2005. Bain seconded the motion. Roll call vote: all aye.

EXPENSE REPORT - January 2005

The Board received the January 2005 expense report. Newell moved to ratify the January expenses. Kroeger seconded the motion. Roll call vote: all ayes.

UNFINISHED BUSINESS

Rules Regulations & Statute Committee

Cay Lacey, Chairman of the Committee, addressed the Board on the progress of the Law and Rules & Regulations Committee. The Committee plans to meet within the next two weeks to begin the process.

UNFINISHED BUSINESS continued

Mentor Program

Board discussed the Mentor Program. Concerns included absence of detailed explanations from each approved mentor regarding the individual mentor programs; a possibility mentoring in a field outside the expertise of mentor may be taking place; a possibility those being taught may be receiving double experience hours. Three motions were made but failed due to lack of a second. Kroeger then moved to maintain the mentor program, with the provision that any education or experience gained through the mentoring program must follow AQB guidelines; no credit beyond actual number of hours spent in classroom or time spent on appraisal-related activities will be recognized by the Board. Newell seconded the motion. Roll call vote: all aye. Chairman Stoeber affirmed that input from beyond the Board is needed to make this program workable.

NEW BUSINESS

Travel Policy

The Board received a copy of the current state travel policy. Discussion followed. Newell moved that the Board pay overnight lodging expenses incurred by Board members. Kroeger seconded the motion. Roll call vote: all aye.

AARO Membership

Board discussed joining AARO, with Chairman Stoeber supporting membership in the organization. Director reported the annual membership fee for each state is \$350. Kroeger moved and Newell seconded the motion to join AARO. Roll call vote: all aye.

Applicant Fees

Review of appraisal reports submitted by applicants was discussed. Currently the reviewer is paid \$150 for a residential review and \$50 per hour for all other reviews. Director recommended setting a maximum amount for payment to reviewers. Kroeger moved to continue maximum payment of \$150 for residential review, to set a maximum payment of \$250 for 2-4 family residential reviews, and a maximum \$400 for review of commercial and agricultural reports. Newell seconded the motion. Roll call vote: all aye.

PES Added Site and Advanced Delivery System

Director reported that PES has added a testing site at Columbus and moved testing in Omaha and Lincoln to a larger area with an advanced delivery system.

Motion to Continue

Director reported the Hearing Officer has filed a motion for continuance in the matter of the pending formal hearing.

OTHER UNFINISHED BUSINESS

Attorney Boehm - USPAP Update

Chair Stoeber acknowledged Attorney John Boehm's written response to the Board's request for an opinion of the USPAP seminar taught after the expiration period for renewal. A copy of the letter is made a part of the minutes. Bain moved to accept attorney Boehm's recommendation and to retroactively give education credit to the appraisers. Kroeger seconded the motion. Voting aye: Bain, Kroeger, Stoeber; voting no: Newell.

BREAK At 10:54 Chairman Stoeber called for a recess.

The Chairman reconvened the meeting at 11:15 a.m. Robert Brenner requested time to discuss Case 03-18 with the Board.

Board members Bain, Kroeger, were present, as was Director Hasselbalch. Prior to discussion of this case, Newell recused herself, thereby nullifying any potential conflict of interest.

EXECUTIVE SESSION

At 11:26 a.m. Vice Chair Kroeger moved that the Board go into Executive Session for the purpose of reviewing qualifications of instructors, applicants for appraiser Registration, License and Certification, for the purpose of considering written complaints relating to the appraisal of real property, and for the purpose of reviewing personnel matters. The motion continued: A closed session is clearly necessary for the prevention of needless injury to the reputation of the individual or individuals involved in the personal matters relating to applications to be reviewed, performance, and disciplinary matters to be considered. Bain seconded the motion. Voting aye: Kroeger, Newell, Bain, and Stoeber. Roll call vote: all aye.

OPEN SESSION

At 3:32 p.m. Kroeger moved and Bain seconded a motion to come out of closed session. Roll call vote: all aye.

MOTIONS TO ACT ON CLOSED SESSION AGENDA

Chairman Stoeber opened the floor to discussion of closed session agenda items.

APPLICANTS

Newell moved to approve applicant CG 397, Mark Woodle. Bain seconded the motion. Voting aye: Newell, Bain, and Stoeber. Abstain: Kroeger.

Kroeger moved to take the following action relating to applications:

To approve the following applicants for Registration: R732, Rebecca Fechner, Omaha; R733, Cody Gerdes, Lincoln; R734, Ty Fleck, Omaha; R735, Suzanna Klaasmeyer, Hershey; and to approve the following applicants for License: L402, Bryon Murta, Omaha; L405, Cathleen Briley, Nebraska City; and to approve the following applicant for Certified General CG 400, Gary Weckerlin, Omaha.

Applicant for general certification not approved: CG 398;
applicants for License not approved: L 399, L 400, L 403, L404, L407.

Newell seconded the motion. Roll call vote: all aye.

ENFORCEMENT

Kroeger moved to take the following actions:

04-09 Request one single family appraisal for review;

03-18 Director to send letter to appraiser's attorney with copy to Respondent requesting Consent Agreement be signed by March 5, 2005. If Consent Agreement is not signed, case will proceed to formal hearing.

Bain seconded the motion. Roll call vote: Bain, Kroeger, and Stoeber. Newell abstained.

Kroeger moved to take the following actions:

04-21 Under separate Consent Agreements appraiser and supervising appraiser to complete and pass the examinations for a 2-day tested sales comparison approach course and a 30-hour, tested income approach course by June 30, 2005;

04-23 Dismiss with advisory letter;

05-01 Request appraisal and workfile for property located at 205 S. New Hampshire, Cortland, NE.;

05-05 Invite complainant to meet with Board to provide additional information regarding complaint;

01-04 Request log of all appraisals completed in Nebraska between August 1, 2003 to August 1, 2004;

01-34 Director to request two appraisals for review from log submitted by appraiser;

03-02 Accept Consent Agreement as signed. Letter to be sent by Director.

04-18 Dismiss with Advisory letter.

04-20 Amend action taken in January 2005 as action was intended to be recommendation only. Dismiss with Advisory letter from Director.

ENFORCEMENT continued

- 04-22 Dismiss with Advisory letter. Director will send reviewer's comments.
- 04-27 Send report out for review.
- 04-28 Dismiss. Director to send advisory letter with cursory remarks;
- 04-17 No action. Director to check on status of reviews.

Bain seconded the motion. Roll call vote: all aye.

EDUCATION

Seminar Approval

Kroeger moved to approve the following new seminars:

Appraising Convenience Stores, a 7-hour seminar to be offered by **The Appraisal Institute, Chicago**;

Interpersonal Relations in Real Estate - Course 202, an **International Right of Way Association** course to be offered by **Nebraska Department of Roads**, approved for 8 hours credit (requested 24 hours credit for 3 day course). -5-

Continuing, Increasing Role Mapping/GIS Technology Plays in the Assessment of Real Property a 12-hour seminar to be offered by **County Assessors' Association of Nebraska**.

2005 Commercial Real Estate Workshop offered by **Resource Property Group, Inc. dba Slusky Real Estate Group, Omaha/Council Bluffs**, approved for 7 hours (requested 8.5).

Bain seconded the motion. Roll call vote: all aye.

Kroeger moved to approve renewal of the following 7-hour seminars offered by **The Appraisal Institute, Chicago**;

Separating Real and Personal Property from Intangible Business Assets- #800, a 16-hour seminar;

General Demonstration Appraisal Report Writing Seminar;

Online Introduction to GIS Applications for Real Estate Appraisers;

Online Internet Search Strategies for Real Estate Appraisers;

Online Appraisal of Nursing Facilities;

Kroeger continued the motion to approve the renewal of the following seminars offered by **Randall School of Real Estate, Omaha**:

Radon and Real Estate, a three-hour seminar;

Understanding New Construction, a three-hour seminar;

Valuing Small Business, a three-hour seminar;

National USPAP Update, the 7-hour National AQB USPAP Update seminar;

Land Surveying, a three-hour seminar;

Rural Appraisal- Cost Approach, a 7-hour study the Cost Approach as it applies to valuation of land;

Rural Appraisal- Income Approach, a 7-hour study of the income approach as it applies to valuation of land;

Rural Appraisal - Sales Comparison Approach, a 7-hour study of the Sales Comparison Approach as it applies to valuation of rural properties;

Property Acquisition and the Need for Environmental Site Assessment a three-hour seminar;

Newell seconded the motion. Roll call vote: all aye.

Course Approval

Kroeger moved to approve the following course, revised to meet the new AQB criteria: Residential Cost Approach & Site Valuation a 15-hour, plus one-hour exam, a 2-day course, formerly identified as "Case Studies in the Cost Approach," to be offered by **Trans-American Institute of Professional Studies, Kearney, NE**.

Motion was seconded by Bain. Voting aye: Newell, Bain, Kroeger. Stoeber abstained.

EDUCATION continued

Instructor Approval

Kroeger moved to approve the following instructors for courses as indicated:

David Lennhoff, "Separating Real & Personal Property from Intangible Business Assets," the Appraisal Institute;
Jim Amarin, "General Demonstration Appraisal Report Writing Seminar," the Appraisal Institute;
Christopher Miner, "Online Introduction to GIS Applications for Real Estate Appraisers," the Appraisal Institute;
Jeffrey Fisher, "Online Internet Search Strategies for Real Estate Appraisers," the Appraisal Institute;
James Tellatin, "On-Line Appraisal of Nursing Facilities," the Appraisal Institute;"
Robert Bainbridge, as instructor for "Appraising Convenience Stores," the Appraisal Institute;"

Mark Byrd, "Radon & Real Estate," Randall School of Real Estate;
Dean Uhing, "Understanding New Construction," Randall School of Real Estate;
Jim Zipursky, "Valuing Small Business," Randall School of Real Estate;
Gail Lens, "National USPAP Update," Randall School of Real Estate;
Ronald Haddock, "Land Surveying," Randall School of Real Estate;
Kenneth Beckstrom, the 7-hour seminars: "Rural Appraisal - Cost Approach," "Rural Appraisal -Income Approach,"
"Rural Appraisal - Sales Comparison Approach," Randall School of Real Estate;
Don Keeton, "Property Acquisition & the Need for Environmental Site Assessment," Randall School of Real Estate;

Jon A. Blubaugh, Ph.D., "Interpersonal Relations in Real Estate," International Right of Way Association, through
the Nebraska Department of Roads.

Lynne Heiden, "Residential Cost Approach: Site Valuation," Trans-American Institute of Professional Studies;
Barry Shea, "Residential Cost Approach: Site Valuation," Trans-American Institute of Professional Studies;

Richard Norejko, "Continuing, Increasing Role Mapping/GIS Technology Plays in the Assessment of Real
Property," Nebraska County Assessor's Association;

Attorney/Developer Jerry Slusky, "2005 Commercial Real Estate Workshop," Resource Property Group, Omaha

Newell seconded the motion. Roll call vote: all aye.

Newell moved to approve expenses for Board members and Director to attend the AARO/AQB/Foundation meetings in
St. Louis April 8, in St. Louis. Roll call vote: all aye.

ADJOURNMENT

Stoeber adjourned the meeting at 4:00 p.m.

Future Meetings

March 15, 2005

April 19, 2005

Respectfully submitted,

Marilyn Hasselbalch
Director